MOTION BY SUPERVISORS YVONNE B. BURKE AND ZEV YAROSLAVSKY

OCTOBER 23, 2007

Los Angeles County has already taken extraordinary steps to develop a holistic environmental sustainability plan that includes: implementing green building mandates for County buildings; preparing green building requirements for new construction; expanding the use of fuel-efficient vehicles; and, incorporating many other environmentally-sound procedures into the County's every-day operations.

While these steps are important, the energy efficiency of existing commercial and residential buildings, which are the biggest source of potential energy savings according to State regulatory agencies, remains largely unaddressed. According to the US Green Building Council, buildings account for 65% of electricity consumption and 30% of greenhouse gas emissions in the United States. Los Angeles County should continue to push the cutting edge of energy-saving initiatives by examining the role of existing buildings in enhancing energy efficiency, reducing carbon emissions, and improving the health of its residents. In fact, there is a growing body of evidence that demonstrates a connection between green buildings and improved health and productivity for the families and individuals who live and work in these green spaces. If designed correctly, environmentally-sound improvements to these homes may not only reduce utility costs and improve the environment, it may also reduce the incidence of childhood asthma and otherwise improve the health of County residents.

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An innovative mechanism for promoting energy efficiency, decreasing carbon emissions, and reducing our overall environmental footprint may be the application of energy performance benchmarks for existing buildings. During the last 12 years, our Internal Services Department has assessed existing county buildings in this manner and retrofitted them where appropriate with simple energy efficiency measures. This has resulted in cumulative savings of over \$110 million - 15-20% of our total energy costs - by adopting simple energy efficiency measures.

In 2002, the European Union created a promising model for this approach through its "Directive on the Energy Performance of Buildings." Under this directive, homeowners provide an "Energy Performance Certificate (EPC)" at key benchmark events such as a home sale. These EPCs not only give existing homeowners information that allow them to take steps to improve energy efficiency and reduce their utility costs, the certificates also give added consumer protection by providing new buyers with additional information about the house they are buying. Moreover, the use of "green mortgages" and other utility-based incentives may make it easier to use proven energy savings to qualify for a larger or lower-interest mortgage loan.

The EPC program works by producing reports that evaluate a home's energy efficiency and recommend cost-effective ways to improve energy performance. These reports are prepared by qualified home inspectors and advise consumers on current average costs for heating, hot water and lighting in their homes. The reports also determine which energy efficiency measures – such as the installation of thicker loft insulation or solar panels - could cut carbon emissions and improve a home's energy rating. While the EPCs provide one model for such a program, the County should evaluate whether this kind of a program would be appropriate for Los Angeles County and, if so, whether it should be an optional program, whether it should be implemented by the private sector or by County inspectors, how long it would take to implement, and what costs would be associated with the program.

WE, THEREFORE MOVE THAT THE BOARD OF SUPERVISORS:

Instruct the Chief Executive Officer in concert with the Countywide Energy and Environmental Policy Team, the Department of Public Health, and County Counsel to:

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- 1) Determine the feasibility and need for establishing a "Healthy Building and Energy Savings Certificate" or other benchmarking program throughout Los Angeles County that is modeled after the above-described Energy Performance Certificates. The report should include, but not be limited to, a description of the proposed certification programming, the pros and cons of an optional certification system, the pros and cons of third-party certifiers versus county certifiers, incentives for participation, a cost analysis, a survey of existing programs that can be used as models for the County's program, aspects of a certification program that may vary for residential versus commercial uses, an implementation plan with identifiable benchmarks, and the earliest practical date for implementation.
- 2) Assess the long term health impact of a holistic green building program.
- 3) Work with environmental groups, utilities and utility regulators, and corporations, housing, and real estate organizations and invite interested municipalities, to collaborate on these efforts, develop achievable goals, and maximize the effectiveness and scope of these programs.
- 4) Prepare recommendations, if applicable, to be incorporated into our legislative advocacy program.
- 5) Develop a program of possible incentives for participating in the program, including publicly funded grants, educational materials, and promotion of private-market incentives such as the "green mortgages" that allow loan applicants to use energy cost savings when qualifying for a home mortgage.
- 6) Report back to the Board by March 15, 2008.

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